



The influence of fraud hexagon on indication fraud

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ABSTRACT

This research aims to obtain test results from the influence of fraud hexagon (pressure, opportunity, rationalization, capability, arrogance and collusion) on indications of fraud. This research is a type of quantitative research and the resources used are primary data by distributing questionnaires. This research was conducted at the Local Government Organization (OPD) registered on the website of the Central Bengkulu district government. The questionnaire was distributed to employees working in the asset sector, budget field, and treasury and accounting fields as well as the general section, resulting in 65 respondents. This study used multiple linear regression analysis techniques, t tests, and coefficients of determination which were processed using the SPSS application. The results showed that the variables pressure, opportunity, capability had a positive effect on the indication of fraud. While the variables of rationalization, arrogance, and collusion do not affect the indications of fraud.

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INTRODUCTION

Fraud is one of the problems that continues to exist in the world of organizations. The Association of Certified Fraud Examiners or what can be called ACFE is an organization that aims to study the development of fraud throughout the world. This association is based in Austin, Texas, United States and has branches spread throughout the world, one of which is Indonesia (Association of Certified Fraud Examiners Indonesia, 2019) Jeffrey G. Matthews a member of the ACFE, defines fraud as misrepresentation and concealment of material truths that cause harm to other people. (Accounting et al., 2014) also defines fraud as an action carried out by one or more individuals, such as management, employees, those responsible for governance, or third parties, intentionally involving the use of fraud to obtain illegal profits. Meanwhile, according to (Arens, 2012) fraud is any deliberate attempt to deceive, which is intended to take the property or rights of another person or other party. Fraud can occur in various sectors, both in the private and government sectors. One of the frauds that occurs is cheating on employee performance (Qodari et al., 2021). So fraud can be defined as a deliberate action by one or more individuals that is illegal by hiding the truth which harms other people.

Fraud has various forms. However, ACFE groups fraud into three main branches, namely theft and misuse of assets (asset misappropriation), falsifying company financial reports and covering up the company's financial condition (fraudulent financial statements), and corruption (Tuanakotta, 2010). Fraudulent financial statements or fraudulent financial statements are intentional acts or omissions that result in misleading material misstatements in financial statements. Fraud does not only occur in the private sector but can occur in the government sector (Hamdani et al., 2017). According to (Wilopo, 2006) fraud that generally occurs in the government sector is corruption. Manipulation of records, deletion of documents, and mark-ups that result in losses are forms of accounting fraud that are commonly carried out in corruption.

In Indonesia, fraud (corruption) is a national problem that has long been prevented and eradicated. According to Transparency International (2023), Indonesia in 2022 will be ranked 110th as the country with the highest level of corruption. Corruption crimes can occur within the ranks of Regional Apparatus Organizations (OPD). One of the areas in Indonesia where corruption cases have been indicated in recent years is Bengkulu Province, specifically within the Bengkulu city government.

Fraud that occurs in organizations does not just arise, but is based on various causes which are used as reasons for committing fraud. Therefore, fraud prevention can be done by, among other things, taking action to detect what is the basis and reason for someone to commit fraud. Detection actions are one of the prevention efforts because with fraud detection actions, regulators have an idea of how to develop preventive actions to avoid fraud (Amrizal, 2015)

Fraud detection theory continues to develop. Initially, in 1953 Donald R. Cressey developed a theory called the Fraud Triangle which stated that there were three causes for someone to commit fraud, namely pressure, rationalization and opportunity (Permatasari & Laila, 2021). After that, the fraud theory developed into a fraud diamond which states that apart from the three previous reasons, there is another reason why someone commits fraud, namely capability. After that, the fraud pentagon theory developed again, which states that apart from the four previous reasons, there is another reason why someone commits fraud, namely arrogance. Until 2019, Georgios L. Vousinas developed the fraud detection theory into a fraud hexagon where the fraud hexagon model adds collusion as one of the causes of someone committing fraud so that according to the fraud hexagon theory, there are 6 factors that underlie indications of fraud, namely pressure (stimulus), capability, collusion, opportunity, rationalization, and finally arrogance (ego). These six factors can be referred to as SCCORE (Vousinas, 2019). In this research, researchers will look at indications of fraud from The Fraud Hexagon theory. Researchers use this new theory because over time, fraud theory will definitely continue to develop.

Previous research on fraud hexagon theory by (Jannah et al., 2021) entitled "Vousinas Fraud Hexagon Model Approach in Detecting Financial Statement Fraud." The variables used in this research are financial stability, external pressure, financial targets, opportunity, rationalization, ability, ego and collusion. The f-score model is used as a proxy for the financial statement fraud variable which is the dependent variable. Financial statement fraud is influenced by external pressure, rationalization, ability, and collusion, according to research findings and is not influenced by other factors, including financial stability, financial targets, opportunity, and ego. The results are in line with research by (Octani et al., 2021) on external pressure and opportunity variables, but not in line with rationalization and collusion variables. Meanwhile, (Handoko, 2021) research has results that are in line with the collusion variable but not in line with the variables of external pressure, rationalization and ability. The benefit of this research is that it is hoped that this research can become reference material for similar researchers who are interested in conducting further research. This research is also expected to be able to add and develop insight, information, as well as thoughts and knowledge, especially related to the influence of the Fraud Hexagon on indications of fraud. For the Central Bengkulu district government and related institutions, it is

hoped that the results of this research can help in developing more effective fraud prevention strategies, so that fraud will not occur again in the future.

Based on the background and differences from the results of previous research (research gap) above, the researcher is interested in conducting research related to indications of fraud using the fraud hexagon theory with the title: "The Effect of Fraud Hexagon on Indications of Fraud" to analyze how the factors contained in Fraud Hexagon elements are empirically proven to influence indications of fraud in government.

RESEARCH METHODS

The population of this research is all regional officials in Central Bengkulu Regency, Bengkulu Province, consisting of employees who work in the asset sector, budget sector, treasury and accounting sector as well as the general department. In this research the author uses probability sampling because in this research each member of the population has the same opportunity to be selected as a member of the sample using a simple random sampling technique. In the end, there were 65 respondents in this research. There are 5 areas in the Central Bengkulu Regency OPD, namely secretariat, budget, treasury and accounting, and assets, as well as the general section. This research is a type of quantitative research and the resources used are primary data by distributing questionnaires. The questionnaire that will be distributed is a questionnaire with a statement model which can later be answered by selecting the options provided. The questionnaire will use a Likert scale ranging from 1-5. namely 1 = Strongly Disagree (STS), 2 = Disagree (TS), 3 = Neutral (N), 4 = Agree (S), and 5 = Strongly Agree (SS).

In this research, the type of research that will be used is quantitative research. To analyze quantitative research, analytical tools are needed. The analytical tool that will be used to analyze the data obtained from this research is using the Multiple Regression method. This research has more than two types of research variables. Regression analysis will be used because it is able to show the direct influence of the independent variable on the dependent variable. Apart from that, regression can show the influence of one variable on another variable. Regression analysis is divided into two, namely simple regression and multiple regression. The difference between these two regressions is that simple regression is used with research that only has one independent variable for one dependent variable. Multiple regression is used in research that has more than one independent variable. Therefore, because this research has more than one independent variable, the researcher will use the multiple regression method for this research. In carrying out regression analysis, researchers are often faced with several classic assumption problems, so that the results of the analysis can be useful and correct (Hadi, 2006). The classical assumption tests that will be used are the multicollinearity test, normality test and heteroscedasticity test.

RESULTS AND DISCUSSIONS

From 65 respondents, based on age level, the majority were employees aged 31 - 40 years, namely 26 people or 40%. This illustrates that the human resources in each OPD in Central Bengkulu Regency are still of productive age and mature age for work, so they are expected to work well, namely faster, more responsive and more responsible, and have high performance in accordance with what was expected. Based on education level, the majority of employees have a bachelor's degree (S1), namely 35 people or 53.4%. This illustrates that educationally the regional officials in Central Bengkulu Regency have a high level of education so they are expected to be able to provide good thinking and have good work patterns too, based on work experience, the most are employees who have worked for 11 - 15 years, namely as many as 24 people or 36.9%. This illustrates that these employees are classified as having a lot of experience in routine activities and

ins and outs at the Central Bengkulu Regency regional office so they are expected to be more skilled and professional at work, so they can work well with a high sense of responsibility.

Analysis Statistics Descriptive

In this research, descriptive statistical analysis was carried out to obtain an overview or description including the minimum value, maximum value, mean and standard deviation of the dependent and independent variables. The independent variable components used in this research are pressure, opportunity, rationalization, capability, arrogance and collusion as well as indications of fraud as the dependent variable. Following descriptive statistical results can be seen in table 1.

Table 1. Descriptive statistics

| | N | Minimum | Maximum | Mean | Std. Deviation |
|--------------------|----|---------|---------|------|----------------|
| Pressure | 65 | 1 | 5 | 3.45 | 1,102 |
| Opportunity | 65 | 1.6 | 5 | 3.48 | 1,011 |
| Rationalization | 65 | 1 | 4 | 2.07 | 0.718 |
| Capability | 65 | 1.6 | 4.4 | 2.93 | 0.856 |
| Arrogance | 65 | 1 | 5 | 3.12 | 0.958 |
| Collusion | 65 | 1 | 5 | 3.07 | 1,181 |
| Indication | 65 | | | | |
| Fraud | | 1 | 5 | 3.25 | 1,147 |
| Valid N (listwise) | 65 | | | | |

The measurement variable uses a Likert scale ranging from 1-5 with a score of 1 (Strongly Disagree) and the highest score is 5 (Strongly Agree). Calculation intervals are carried out to obtain data grouping classifications.

$$\begin{aligned}
 \text{Interval Calculation} &= \frac{(\text{nilai maksimal} - \text{nilai minimum})}{\text{Banyak kelas}} \\
 &= \frac{(5 - 1)}{5} \\
 &= 0.8
 \end{aligned}$$

Table 2. Category average score of Respondents answers

| Range | Category |
|-------------|----------------------|
| 1.00 - 1.80 | Very Low / Very Bad |
| 1.81 - 2.60 | Low / Poor |
| 2.61 - 3.40 | Fair / Moderate |
| 3.41 - 4.20 | High/ Good |
| 4.21 - 5.00 | Very High/ Very Good |

Source: Sugiyono, 2014

Validity and Reliability Test

Validity test

The test was carried out to show that the statement indicators were suitable as instruments in the questionnaire by conducting a large sample test of 65 respondents. The indicator statement is said to be valid if $r_{count} > r_{table}$. Meanwhile, a statement is said to be invalid if $r_{count} < r_{table}$. The following are the results of the validity test:

Tabel 3. Validity test results of research variable items

| Variable | Question items | R count | R table | Information |
|----------|----------------|---------|---------|-------------|
| Pressure | X1.1 | 0.953 | 0.244 | Valid |
| | X1.2 | 0.952 | 0.244 | Valid |
| | X1.3 | 0.958 | 0.244 | Valid |
| | X1.4 | 0.933 | 0.244 | Valid |

| | | | | | |
|-----------------|-------|-------|-------|-------|-------|
| Opportunity | X1.5 | 0.946 | 0.244 | Valid | |
| | X2.1 | 0.919 | 0.244 | Valid | |
| | X2.2 | 0.933 | 0.244 | Valid | |
| | X2.3 | 0.911 | 0.244 | Valid | |
| | X2.4 | 0.891 | 0.244 | Valid | |
| Rationalization | X2.5 | 0.927 | 0.244 | Valid | |
| | X3.1 | 0.845 | 0.244 | Valid | |
| | X3.2 | 0.825 | 0.244 | Valid | |
| | X3.3 | 0.897 | 0.244 | Valid | |
| | X3.4 | 0.838 | 0.244 | Valid | |
| Capability | X3.5 | 0.843 | 0.244 | Valid | |
| | X4.1 | 0.940 | 0.244 | Valid | |
| | X4.2 | 0.873 | 0.244 | Valid | |
| | X4.3 | 0.871 | 0.244 | Valid | |
| | X4.4 | 0.904 | 0.244 | Valid | |
| Arrogance | X4.5 | 0.906 | 0.244 | Valid | |
| | X5.1 | 0.795 | 0.244 | Valid | |
| | X5.2 | 0.717 | 0.244 | Valid | |
| | X5.3 | 0.822 | 0.244 | Valid | |
| | X5.4 | 0.796 | 0.244 | Valid | |
| Collusion | X5.5 | 0.751 | 0.244 | Valid | |
| | X6.1 | 0.950 | 0.244 | Valid | |
| | X6.2 | 0.955 | 0.244 | Valid | |
| | X6.3 | 0.992 | 0.244 | Valid | |
| | X6.4 | 0.946 | 0.244 | Valid | |
| Indication | X6.5 | 0.971 | 0.244 | Valid | |
| | X7.1 | 0.960 | 0.244 | Valid | |
| | Fraud | X7.2 | 0.964 | 0.244 | Valid |
| | | X7.3 | 0.954 | 0.244 | Valid |
| | | X7.4 | 0.953 | 0.244 | Valid |
| X7.5 | | 0.969 | 0.244 | Valid | |
| X7.6 | | 0.954 | 0.244 | Valid | |
| | X7.7 | 0.922 | 0.244 | Valid | |
| | X7.8 | 0.963 | 0.244 | Valid | |

Source : data processing results, 2023

Based on the results of the validity test with a total of 65 respondents, it can be seen that all variable statements submitted to respondents are valid. This can be seen from the calculated r value $>$ r table (0.244). So that all statement items in the questionnaire are declared suitable as instruments for measuring research data.

Reliability Test

The test carried out when all statement variables are said to be suitable as research instruments is by conducting a sample test of 65 respondents. A statement is said to be reliable if the Cronbach's Alpha value is $>$ 0.6. The following are the results of the reliability test:

Table 4. Reliability test results for variable items study

| Variable | Cronbach's <i>alpha</i> | Information |
|-----------------------------|----------------------------|-------------|
| Pressure | 0.953 | Reliable |
| Opportunity | 0.951 | Reliable |
| Rationalization | 0.929 | Reliable |
| Capability | 0.940 | Reliable |
| Arrogance | 0.833 | Reliable |
| Collusion | 0.980 | Reliable |
| Indications of <i>Fraud</i> | 0.987 | Reliable |

Based on Table 4, the results of the reliability test from 65 respondents show that all variables in the statement instrument are said to be reliable because the Cronbach Alpha value is > 0.6.

Analysis Assumption Classic

The classical assumption tests used in this research are the normality test, heteroscedasticity test, and multicollinearity test.

Normality test

This test is used to find out whether the data is distributed normally or not. This test uses Kolmogorov Smirnov with a sig value..> 0.05. The results of the normality test can be seen in the table below.

Table 5. Normality test

| Variable | sig | Limit | Information |
|-----------------------------|-------|-------|-------------|
| <i>Unstandard Residuals</i> | 0.169 | >0.05 | Normal |

Source data processing results, 2023

The test results in table 5 show mark asymp. sig of 0.169 > 0.05 so can stated that the data is normally distributed .

Heteroscedasticity Test

Something assumption important from the classical linear regression model is that disturbances that arise in regression is homoskedastisitas, that is all disturbance earlier have the same variant. Heteroscedasticity test results can seen in the table following :

Table 6. Heteroscedasticity test

| Variable | Sig | Limit | Information |
|-----------------|-------|-------|-----------------------------------|
| Pressure | 0.558 | >0.05 | Heteroscedasticity does not occur |
| Opportunity | 0.135 | >0.05 | Heteroscedasticity does not occur |
| Rationalization | 0.864 | >0.05 | Heteroscedasticity does not occur |
| Capability | 0.096 | >0.05 | Heteroscedasticity does not occur |
| Arrogance | 0.325 | >0.05 | Heteroscedasticity does not occur |
| Collusion | 0.481 | >0.05 | Heteroscedasticity does not occur |

Source data processing results, 2023

Table 6 shows that the probability value is greater than 0.05, so it can be concluded that the variables proposed in the research do not have heteroscedasticity.

Multicollinearity Test

The multicollinearity test was carried out to determine whether or not a correlation was found in the regression model between the independent variables. A good regression model should not have multicollinearity between independent variables. To determine whether there is multicollinearity or not, you can look at the Variance Inflation Factor (VIF) and tolerance (α) values.

The results of the multicollinearity test in this study are as follows:

Table 7. Multicollinearity test

| Variable | Tolerance | VIF | Information |
|-----------------|-----------|-------|----------------------------------|
| Pressure | 0.430 | 2,325 | Multicollinearity does not occur |
| Opportunity | 0.317 | 3,156 | Multicollinearity does not occur |
| Rationalization | 0.876 | 1,141 | Multicollinearity does not occur |
| Capability | 0.419 | 2,385 | Multicollinearity does not occur |
| Arrogance | 0.897 | 1,115 | Multicollinearity does not occur |

| | | | |
|-----------|-------|-------|----------------------------------|
| Collusion | 0.864 | 1,158 | Multicollinearity does not occur |
|-----------|-------|-------|----------------------------------|

Source data processing results, 2023

In table 7 it is known that tolerance value > 0.10 as well VIF value < 10 then in the research This No happen multicollinearity.

Research Results (Hypothesis Test)

In the analysis model multiple linear regression tested in a way partial (t test). The t test is the test used, For know influence on each variable independent on the dependent variable. The conditions for the t test are as following :

Accepting Ha: if probability (p) ≤ 0.05 means the variable is independent partial has a significant influence on the dependent variable.

The results of the multiple linear regression analysis that have been carried out are as follows:

Table 8. Multiple linear regression test results

| Variable | B | Sig t |
|-------------------|--------|-------|
| (Constant) | -7,762 | |
| Pressure | 0.750 | .033 |
| Opportunity | 0.549 | .048 |
| Rationalization | 0.086 | .676 |
| Capability | 0.580 | .046 |
| Arrogance | 0.063 | .757 |
| Collusion | 0.116 | .390 |
| Adjusted R Square | 0.665 | |

Source data processing results, 2023

In table 8 above shows the results of multiple linear regression using the SPSS application to get the following results: $Y = -7.762 + 0.750X1 + 0.549X2 + 0.086X3 + 0.580X4 + 0.063X5 + 0.116X6 + e$

Testing hypothesis partial (t test)

Table 9. Hypothesis test recapitulation results

| Hypothesis | Description | Coefficient | Prob. | Information |
|------------|---|-------------|-------|-------------|
| H1 | Pressure has a positive effect on Indications of Fraud | 0.750 | 0.033 | Accepted |
| H2 | Opportunity has a positive effect on Indications of Fraud | 0.549 | 0.048 | Accepted |
| H3 | Rationalization has a positive effect on potential Indications of Fraud | 0.086 | 0.676 | Rejected |
| H4 | Capability has a positive effect on Indications of Fraud | 0.580 | 0.046 | Accepted |
| H5 | Arrogance has a positive effect on Indications of Fraud | 0.063 | 0.757 | Rejected |
| H6 | Collusion has a positive effect on Indications of Fraud | 0.116 | 0.390 | Rejected |

Coefficient Determination (Adjusted R2)

Based on table 9 , it shows that the coefficient of determination (Adjusted R2) = 0.665, meaning that the variables Pressure, Opportunity, Rationalization, Capability, Arrogance and Collusion together influence the Asset Misappropriation variable by 66.5% and the remaining 33.5% is influenced by other variables not included in the research model.

The Effect of Pressure on Indications of Fraud

In table 9 shows results testing that variable pressure own prob value . equal to $0.033 \leq 0.05$. that value can prove Ha1 is accepted, which means that Pressure influential positive to Indication Fraud. This matter means the more big pressure received by a person employee so action For do indication fraud (fraud) will also the more tall. Problems that arise here is a employee will decide For behave cheating (fraud) because exists insistence Good from self personal, organizational, or from outside (Rafinda et al., 2013) states that behavior superior or pressure applied superior proven can influence behavior all over his subordinates. A boss who behaves ethical will guide his subordinates For behave ethical and vice versa. Besides That , (Sofyani & Pramita, 2014) also found that condition Where there is pressure obedience For do fraud tend will make somebody Act manipulate report.

The Effect of Opportunity on Indications of Fraud

Table 9 shows results testing that variable chance own prob value. of $0.048 \leq 0.05$. that value can prove Ha2 is accepted, which means that Chance influential positive to Indication Fraud. Opportunity/Oppportunity is one of gap For do indication cheating (fraud). The perpetrator saw chance the trust that the fraud he committed No will is known . Study about fraud emphasize that position and authority individual in the organization can become opportunities (Vousinas, 2019). (Aghghaleh et al., 2014) in (Mardianto & Tiono, 2019), stated that perpetrator misappropriation No do fraud if No There is chance. When something chance created Because negligence system or supervisor then people who have intend For do misappropriation will take advantage of it For do action misappropriation the Because feel himself No will found out. The more somebody feel own chance the more tall possibly that person do cheating.

The Effect of Rationalization on Indications of Fraud

Table 9 shows results testing that the rationalization variable own prob value amounting to $0.676 > 0.05$. that value can prove Ha3 is rejected , which means that Rationalization No influential to Indication Fraud. Rationalization is attitude justification made by the perpetrator on action cheating . Usually perpetrator fraud will change rule in organization For get reason For rationalize the fraud he committed. Rationalization happen because perpetrator No feel do action cheating, but do something things that have happened appropriately done. (Albrecht et al., n.d.) explains that rationalization is action justification self or wrong reasons for something wrong action. Things you can prevent happen rationalization follow misappropriation is when perpetrator Still own heart good conscience so that justification to follow misappropriation the No will influence it. The more somebody own heart good conscience and morality so will prevent No happen cheating. According to (Rae & Subramaniam, 2008) rationalization is attitudes and behavior justification on cheating. This matter because employee not enough have integrity self , or other moral reasoning. The fairness of what was done This just form justification and creation perception by the perpetrator follow fraud that that was done the it's not things that don't reasonable . But matter This No in line with results research that states that rationalization No influential to cheating . Respondents in research This is individuals who have get to know the world of work. They uphold integrity and morality. This matter make what was done every individual who owns integrity that do fraud like is necessary actions avoided. With their integrity have make results findings from study This that rationalization No influential against fraud.

The Effect of Capability on Indications of Fraud

Table 9 shows the test results that the capability variable has a prob value. of $0.046 \leq 0.05$. This value can prove that Ha4 is accepted, which means that Capability has a positive effect on Fraud Indication. Capability states how much capacity a person has to commit fraudulent acts in the environment where they work(Sari & Nugroho, 2020). Perpetrators who know and understand

the weaknesses of the organizational monitoring system will take advantage of them to commit fraud. A higher position will influence the knowledge possessed so that the higher the position, the greater the action that will be taken against fraud (Christiawan, 2016). Position in the fraud perpetrator's organization is also used as a driving factor in committing fraud, by eliminating property rights, to influence the surrounding environment in the smoothness of the chelating action (Oktarigusta, 2017). The difficulty for internal employees to achieve good performance is caused by several factors (Lismawati et al., 2017). One of them is the lack of employee competence in carrying out assurance and consulting roles. The more someone understands the strengths and weaknesses of an organization's monitoring system, the more likely it is that someone will commit fraud.

The Effect of Arrogance on Indications of Fraud

Table 9 shows the results that the arrogance variable has a prob value. amounting to 0.757 > 0.05. This value can prove that Ha5 is rejected, which means that Arrogance has no effect on Fraud Indications. Arrogance is the nature of being arrogant towards someone. (Crowe, 2011), states that arrogance is an attitude of superiority or greed that a person has that the organization's internal controls do not apply to themselves. (Nurkhin, 2018) believes that arrogance is an excessive characteristic shown by a person and is a reflection of pride because he has more abilities than other people. If someone is able to push his arrogance to the point that it is important then they will prevent him from committing fraud. Therefore, the thing that might cause arrogance to have no effect on indications of fraud is because the respondents in this study did not feel they had high arrogance, perhaps the reason was because they felt worried about the fraud being committed so that this suppressed their arrogance. This may also happen to each individual because each individual has different principles. Even though individuals have high arrogance, in principle they do not want to commit fraudulent acts so that fraudulent acts cannot occur, and vice versa. So that the findings are that arrogance has no effect on indications of fraud.

The Effect of Collusion on Indications of Fraud

Table 9 shows the results of testing that the collusion variable has a prob value. amounting to 0.390 > 0.05. This value can prove that Ha6 is rejected, which means that collusion has no effect on the indication of fraud. Collusion is a deviant act of two or more parties carried out by working together to achieve goals that only give each party an advantage. The agreement these parties make usually involves purchasing a certain amount of assets such as money, property, or other facilities to streamline their affairs. (Vousinas, 2019) states that collusion is an agreement or cooperation that connects two or more individuals to achieve a criminal act or fraud. Collusion starts from self-will but has a high workload with a minimum time limit so that someone does not have time to think about how to collude safely. Apart from that, the work delegation factor is appropriate so that there is no overlap in work. So that someone does not feel indebted and rewards other coworkers for helping them do their work. This can also happen when respondents think that they have no collusion from friends, work colleagues, superiors, or inspectorates which gives them a way to commit fraud. Individuals in this research population carry out work that is in accordance with their respective duties and responsibilities.

CONCLUSION

Based on the research above, it can be concluded that the variables of pressure, opportunity and ability have a positive influence on indications of fraud. Meanwhile, the variables rationalization, arrogance and collusion have no effect on indications of fraud. The contribution of this research is that it will provide practical guidance for the Central Bengkulu district government, in identifying and managing fraud risks more effectively. This will help them reduce financial and reputational losses due to fraud. This research will provide a strong foundation for the development of more

effective anti-fraud policies in the Central Bengkulu Regency Government, including ethical guidelines and prevention procedures. With the increasing complexity of fraud in business and finance, this research contribution may provide new insights to protect organizations or governments from fraud risks. The limitation in carrying out research is that there is no permission to obtain permission from DPMPSTP and KESBANGPOL so that it can be accepted by the research object, the stages and research time are quite long. Apart from that, too many indicator statements on the questionnaire and the use of words that are too open can make respondents less honest in filling out the questionnaire. It is recommended that future research candidates already know the procedures and requirements for obtaining permits in their area so that they can use the agent as a reference object. Respondent search locations can also be expanded according to the capabilities of future researchers. The indicator statements in the questionnaire can be made more concise and use the right words so that respondents can answer honestly.

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